

CITY COUNCIL MEETING MONDAY, JANUARY 25, 2010

A regular meeting of City Council was held on the above date for the transaction of general business.

Vaughn D. Spencer, President of Council, called the meeting to order.

The invocation was given by Council President Vaughn D. Spencer.

All present pledged to the flag.

ATTENDANCE

Council President V. Spencer
Councilor F. Acosta, District 1
Councilor M. Goodman-Hinnershitz, District 2
Councilor D. Sterner, District 3
Councilor S. Marmarou, District 4
Councilor D. Reed, District 5
Mayor T. McMahon
City Auditor D. Cituk
City Solicitor C. Younger
Managing Director R. Hottenstein
City Clerk L. Kelleher
Sergeant at Arms Captain R. Schafer

PROCLAMATIONS AND PRESENTATIONS

- Council Recognition of Outstanding Fall Athletes from Reading High School
- Council Recognition of Inauguration Participants
 1. RHS Chamber Singers
 2. Mezcal Mexican Restaurant
 3. Pike Café
 4. Canal Street
 5. Downtown Hof Brau

PUBLIC COMMENT

Council President Spencer announced that there were four (4) citizens registered to

address Council on non-agenda matters. He inquired if any member of Council objected to suspending the rule to allow all those registered to speak on non agenda matters at this point in the meeting. As no one objected the rule requiring non-agenda comment at the end of the meeting was suspended.

Council President Spencer reminded those speaking about the remaining public speaking rules.

Richard Broadbelt, Spring Street, stated that he is a lifelong City resident and noted the difficulty of finding shovel ready projects eligible for the stimulus funds. He suggested using some of the stimulus funding to demolish deteriorated properties to provide off street parking in neighborhoods. He expressed the belief that the housing in Reading was not built to accommodate today's use of the automobile. He noted a similar project in Northeast Philadelphia.

Ernie Schlegel, Pear Street, expressed the belief that Council's process to select a Vice President was improper. He also expressed the belief that as all male Councilors voted against the nominated woman, they acted in a discriminatory fashion as their decision was not based on qualifications. He expressed the belief that polarization and the good old boy attitude will not help the City move forward.

Luisa Salcedo, Palm Street, thanked City Council for recognizing parents and Reading High Students at tonight's meeting. She announced her intent to regularly attend Council meetings and address topical issues.

Commissioner Kevin Barnhardt, Berks County, distributed a memorandum to Council and the Administration containing the proposed modifications to the Fire Training Center Agreement. He announced that the transition of BARTA to a full County Authority is complete. He read the distributed memo aloud (attached to the record). He stated that the County has spent approximately \$3M to build a burn building at the Fire Training Center. He expressed the belief that the County's expenses to date justify the Commissioners desire for the request to seek a fee simple title to the Fire Training Center. He also noted the Commissioner's desire to obtain full appointment control on the Airport Authority Board.

APPROVAL OF AGENDA & MINUTES

Council President Spencer asked City Council to consider the minutes from the January 11th Regular Meeting of Council and the agenda including the items listed under the Consent Agenda heading. He noted the Administration's request to add two (2)

resolutions to the Consent Agenda as follows:

- Resolution authorizing the Penn Street Lighting project
- Resolution authorizing the transfer of the Bookmobile and van to the Library.

Councilor Goodman-Hinnershitz requested that the CDBG Action Plan amendment be considered separately.

Councilor Marmarou moved, seconded by Councilor Sterner, to approve the minutes from the January 11th regular meeting and the agenda, as amended, including the legislation listed under the Consent Agenda heading.

Consent Agenda Legislation

Award of Contract – for Towing Services for the Police Department to Vince's Towing, 1725 North 5th Street, Reading, PA 19601, who is the high bidder at a total bid of \$31,000 **(Purchasing)**

Resolution 9-2010 - authorizing the disposition of records in the Auditor's Office **(Auditor)**

Resolution 10-2010 - authorizing the Penn Street Lighting project

Resolution 11-2010 - authorizing the transfer of the Bookmobile and van to the Library

Resolution 8-2010 - authorizing amending the FFY2010 CDBG Action Plan by moving the Recreation Activity For Teens Program from the Millmont Elementary School at 400 Summit Avenue to the City of Reading's Third and Spruce Recreation Center **(CD Dir)**

Councilor Goodman-Hinnershitz moved, seconded Councilor Reed to table Resolution 8-2010.

Resolution 8-2010 was tabled by the following vote:

**Yea: Acosta, Goodman-Hinnershitz, Marmarou, Reed, Sterner, Spencer,
President - 6.
Nay: None - 0.**

ADMINISTRATIVE REPORT

Managing Director's Hottenstein reviewed the report distributed to Council at the meeting, covering the following topics:

- Receipt of a tennis grant that provided funding for a program at Alvernia University for thirty (30) City children
- The City's tennis program's recognition by the USTA at an event in California
- Reduced Tax office hours during this tax season
- Christmas tree collection in City Park concluding this Friday
- Follow up on items requested by City Council

Councilor Goodman-Hinnershitz noted that some citizens have been frustrated with the Call Center due to calls being placed on hold or not being answered.

Mayor McMahon and Managing Director Hottenstein announced that the State of the City address would be held this Friday at 11am in Council Chambers.

Councilor Reed inquired why the State of the City address is not being conducted during a Regular Meeting of Council. Mayor McMahon stated that the Charter requires the State of the City report by the end of January and the lack of final financial figures made the report impossible to put together for tonight's meeting.

Councilor President Spencer stated that the Managing Director's report states that calls coming in to the Tax office will be transferred to the Call Center. He inquired how the phone calls will be transferred. Managing Director Hottenstein stated that the calls will be automatically forwarded to the Call Center on select days. He explained the need for Tax personnel to process approximately 20,000 tax returns in a timely fashion. He stated that personnel in the Tax office suggested closing the Tax office two days per week to allow staff to concentrate on processing returns rather than attempting to process returns while handling walk-ins. He noted that the Tax Division has lost two (2) employees and has a staff of ten (10).

Council President Spencer inquired if the Tax office could be open for additional hours. He expressed concern that the closure of the office will disrupt public access. He noted that many citizens prefer to obtain a receipt and drop off their returns in person.

Councilor Marmarou inquired if the modified hours would only occur during the tax season. Managing Director Hottenstein replied affirmatively.

Councilor Goodman-Hinnershitz reminded citizens that they can easily mail their tax returns into the City as they do with their other monthly bills, along with their state and federal returns.

AUDITOR'S REPORT

City Auditor Dave Cituk read the report distributed to Council at the meeting covering the following topics:

- 2010 Admissions Tax collection
- 2005-2009 Real Estate Transfer Tax Collection

Council President Spencer inquired about the reduction in Admissions Tax collection of about approximately \$118K. He inquired if the Administration has discussed the collection of this tax with the Convention Center Authority. He noted that Convention Center Authority chair, Mike Ehlerman, keeps the authority very focused on finances and sales. Managing Director Hottenstein stated that the 2009 projection was based on trends.

Councilor Acosta noted that the 2010 budget projects a reduced projection of \$450K.

ORDINANCES FOR FINAL PASSAGE

Ordinance 1-2010 - directing the Berks County Board of Elections to place a referendum question before City voters on the 2010 Primary Ballot which would amend the City of Reading Home Rule Charter by eliminating the Departments of Human Resources and Finance and creating the Department of Administrative Services
Introduced at the 1-11 Regular Mtg of Council (Man Dir)

Councilor Acosta moved, seconded Councilor Reed, to enact Bill 1-2010.

Managing Director Hottenstein stated that combining the Finance Department and Human Resources Department will save the City approximately \$110K annually. He noted that this combination will allow City operations to be more efficient. He noted the need for all businesses to find the leanest way to operate.

Councilor Marmarou noted the need for a clear explanation to the City's electors.

Councilor Reed expressed the belief that the Charter was formulated in a different time period. She stated that a change in times requires a change in practice.

Councilor Goodman-Hinnershitz agreed with the proposed charter amendment, as it will clarify the City's governing document. She also added that the recommended proposal reflects the reorganizational change required.

Councilor Acosta expressed the belief that the proposed change will improve the accountability of employees and improve the delivery of services. He agreed practices need to change as times change.

Council President Spencer expressed concern that the proposed change may compromise the City's ability to get the best employees in the future. He also encouraged the City's electorate become educated about the proposed Charter change and vote at the primary election.

Bill 1-2010 was enacted by the following vote:

Yea: Acosta, Goodman-Hinnershitz, Marmarou, Reed, Sterner, Spencer, President - 6.

Nay: None - 0.

Ordinance 2-2010 - amending the FY 2006-2012 Capital Improvements Plan for the City Of Reading ***Introduced at the 1-11 Regular Mtg of Council (Finance Dir)***

Councilor Goodman-Hinnershitz moved, seconded Councilor Acosta to table Bill 2-2010.

Bill 2-2010 was tabled by the following vote:

Yea: Acosta, Goodman-Hinnershitz, Marmarou, Reed, Sterner, Spencer, President - 6.

Nay: None - 0.

INTRODUCTION OF NEW ORDINANCES

Ordinance – Amending the Codified Ordinances, Chapter 1, Sections 1-802, 803 and 804 relating to testing for Police promotions (**Police Chief**)

Ordinance - amending Ordinance No. 41-2005, which, in part, authorized the re-establishment of the Reading Downtown Improvement District Authority and authorized assessments of benefitted property owners to amend Section 5 thereof, entitled, "Levy of Special Assessment," Subsection (B), entitled "Payment of

Assessment" to change the deadline for the discount period to April 30 of each year; to change the deadline for flat rate payment to June 30 of each year; to assess a ten percent (10%) penalty for payment received after July 1 of each year; and to provide for up to four (4) equal installment payments with a service fee of five dollars and 00/100 (\$5.00) added to each payment **(DID)**

Ordinance - Setting forth the salary of the Community Development Director at \$80,000.00 per annum **(Man Dir)**

RESOLUTIONS

Resolution 12-2010 - authorizing the issuance of a Tax and Revenue Anticipation Note, series of 2010 in a principal amount of six million two hundred thousand dollars (\$6,200,000); providing for the dated date, interest rate, maturity date, payment and place of payment in respect of the Note; accepting the proposal attached hereto as exhibit "B" from the financial institution or entity named therein for the purchase of the Note; naming a sinking fund depository/paying agent; authorizing the proper officers of the City to execute and deliver the note and certain other documents and certificates in connection therewith; authorizing and directing the preparation, certification and filing of the necessary documents with the Department of Community and Economic Development of the Commonwealth of Pennsylvania; setting forth a form of the Note **(Man Dir)**

Councilor Acosta moved, seconded by Councilor Marmarou, to adopt Resolution No 12-2010.

Managing Director Hottenstein explained that TRAN is a funding model used to cover the gap between the beginning of the fiscal year and the collection of the first round of taxes. He explained that this TRAN will be a line of credit at a low interest rate with a payback date of September 30th.

Councilor Goodman-Hinnershitz added that the TRAN is needed this year due to the City's financial position and their lack of a fund balance.

Councilor Acosta congratulated the Administration for finding the very low interest rate of 2.63%.

Councilor Reed also noted that the Administrative fee that would be used to pay the financial advisors, who are preparing the paperwork, is also modest.

Resolution No. 12-2010 was adopted by the following vote:

**Yea: Acosta, Goodman-Hinnershitz, Marmarou, Reed, Sterner, Spencer,
President – 6.**

Nay: None - 0.

Resolution 13-2010 – appointing Daniel Robinson as Director of Community Development. **(Mayor)**

Councilor Acosta moved, seconded by Councilor Reed, to adopt Resolution 13-2010.

Managing Director Hottenstein noted the great performance of current CD Director Marty Mayes. He expressed the belief that Mr. Robinson is a qualified replacement who has the necessary skills to continue the programs started by Mr. Mayes.

Councilor Goodman-Hinnershitz stated that she was impressed by the skill sets of the Mr. Robinson in various CD areas. She also noted Mr. Robinson's agreement to comply with the charter's residency requirement.

Council President Spencer stated that he will not support the appointment of Mr. Robinson as he believes that the salary ordinance should be adopted at the same meeting. He stated that he is not satisfied with the proposed salary, but has no qualms about the qualifications of the applicant.

Resolution No. 13-2010 was adopted by the following vote:

Yea: Acosta, Goodman-Hinnershitz, Marmarou, Reed, Sterner– 5.

Nay: Spencer, President - 1

COUNCIL COMMENT

Councilor Sterner thanked the citizens who provided comment this evening. He noted his agreement with the need to address the City's density, address deteriorated properties and provide improved parking in residential neighborhoods.

Councilor Sterner disagreed with the comment claiming that the vote for the Council Vice President was discriminatory. He stated that he made his vote based on personal beliefs of the nominees qualifications and skill sets. He also noted his agreement with the need for open communication with the County Commissioners.

Councilor Sterner announced the District 3 meeting at Saint Mark's Church at 10th and Windsor Streets on Wednesday, January 27 at 7pm.

Councilor Marmarou inquired about the completion of the handicapped curbs in District 4.

Managing Director Hottenstein replied that the contractor will be repairing the fencing around the excavated curbs but will wait for a weather break before pouring the concrete.

City Clerk Kelleher inquired if the contractor would consider using a temporary fill until the weather is suitable for pouring concrete. Managing Director Hottenstein replied that due to the cost, temporary fill will not be used.

Councilor Reed stated that she updated Council earlier on the herd of deer (12-13 deer) who reside in Charles Evans Cemetery. She described the incident that occurred over the weekend and the problems of managing deer in a park-like location within an inter-city neighborhood. She also noted the problematic approach used by poachers and their attempt to kill the deer at the cemetery. She noted that deer are large animals who cause various types of damage to the cemetery and its contents. She also noted the difficulty in transferring deer to a new location. She stated that the Charles Evans Cemetery Board will be meeting to discuss this issue this evening. She stated that she will provide an update as soon as one becomes available. She suggested that perhaps the Public Safety Committee could pick up this topic.

Councilor Reed stated that the streetlight located in the 100 block of West Oley Street has been repaired. She also described her work in the Riverdale area to correct or provide explanation on the approval of a multi-unit rental property in this R-1 neighborhood.

Councilor Goodman-Hinnershitz noted her appreciation for Commissioner Barnhardt's comments at tonight's meeting and noted the need for a proper City response.

Council President Spencer noted the need for a conversation amongst the Councilors before providing the response to the Commissioner's request.

Councilor Acosta noted the need to consider the cost to the City in the past and the City's ability to continue to function. He stated that he recently learned that the City receives \$900K per year from the Fire Training Center facility.

Councilor Goodman-Hinnershitz thanked Mr. Broadbelt for his comments. She noted that the Blighted Property Review Committee is currently working to address deteriorated properties.

Councilor Goodman-Hinnershitz thanked Luisa Salcedo for her willingness to attend Council meetings.

Councilor Goodman-Hinnershitz described various community issues in District 2.

Councilor Goodman-Hinnershitz invited City Council to attend the February 2nd Ground Hog's Day celebration at 7am at the Pagoda.

Councilor Acosta stated that he celebrates the attendance and participation of citizens at public meetings. He stated that participation is the best way for citizens to make a difference.

Mayor McMahon stated that he will provide the details about the Fire Training Center as requested by Councilor Acosta.

Council President Spencer explained that City Council has not defined the process to select a Vice President of Council. He stated that he is disturbed by Mr. Schlegel's questioning of Council's integrity when selecting a vice president. He also noted that the recent use of a blog also claims that blocks of Council members vote together. He stated that in his experience he has found that the seven (7) members of Council have never voted in blocks, but make decisions based on their beliefs and education on the issue at hand.

Council President Spencer expressed the belief that the TRAN was needed this year due to the City's financial constraints. He commended the Administration for working to get the transaction moving forward.

Council President Spencer reviewed the Council meeting schedule.

Councilor Acosta moved, seconded by Councilor Reed, to adjourn the regular meeting of Council.

Linda Kelleher CMC, City Clerk